



## **Local Rule 6070-1 Tax Returns and Tax Refunds (2013)**

**(a) Tax Requirements in Chapter 11, 12 and 13 Cases.** Debtors in possession, chapter 11 trustees, and chapter 12 and 13 debtors, are subject to the requirements and regulations of the Internal Revenue Service and any applicable state or local taxing authority. Debtors who are not required to collect federal taxes as described in subsection (1) below and are not required to collect state and local taxes as described in subsection (2) below are required to comply only with subsection (6) below.

(1) Federal Taxes. The debtor, debtor in possession or the trustee must comply with the Internal Revenue Code and regulations regarding withholding of taxes from the wages of employees, the payment of the employer's FICA and FUTA tax liabilities, the making of deposits of such taxes, and the filing of employment tax returns as well as any excise or income tax returns for which the estate is liable.

(2) State Taxes. The debtor, debtor in possession or the trustee must comply with the laws and regulations of any applicable state or local taxing authority regarding withholding of taxes from the wages of employees; the collection and remittance of other types of tax which the estate is required to collect, deposit with, or remit to any applicable state or local taxing authority; the payment of unemployment insurance contributions to the appropriate state or local taxing authority; and the timely filing of returns accounting for the same.

(3) Trust Accounts. Within 21 days after the petition date, the debtor in possession or trustee must open separate bank trust accounts for the Internal Revenue Service and for each applicable state and local taxing authority for all tax deposits. Only the tax deposits due each entity are to be made into these trust accounts as they accrue each pay period. A chapter 12 or 13 debtor must provide the applicable trustee proof of such trust accounts at the [§ 341](#) [1] meeting.

(4) Notification. The debtor in possession or trustee should notify the Internal Revenue Service and each state or local taxing authority of the location and account numbers of the respective trust accounts opened under subsection (a)(3) of this rule. The notices should be sent within 7 days after the date the account is opened. Notices to the Internal Revenue Service, the Utah State Tax Commission, and the Utah Department of Workforce Services must be mailed or delivered to addresses cited in [Local Rule 2002-1\(h\)](#) [2].

(5) State Deposit Verification. The debtor, debtor in possession or trustee must, if applicable, file the Utah State Tax Commission's Verification of Taxpayer Deposit at the address shown in [Local Rule 2002-1\(h\)](#) [2] within 7 days after making the required deposit.

(6) Filing and Payment. The debtor, debtor in possession or trustee must: (A) timely file any required tax returns with the Internal Revenue Service; (B) timely file any required tax returns with any applicable state or local taxing authority; (C) timely file unemployment insurance contribution reports with applicable state or local authorities; and (D) pay taxes on a current basis. Returns and reports filed with and payments made to the Internal Revenue Service, the Utah State Tax Commission and the Utah Department of Workforce Services should be delivered to the addresses stated in [Local Rule 2002-1\(h\)](#) [2], not to the regular addresses for filing the returns and reports.

**( b) Tax Returns in Chapter 12 Cases.** The chapter 12 debtor must, at least 30 days before the first day required by law for the filing of the debtor's federal tax return(s), forward to the trustee a full and complete copy of the federal tax return(s) for each preceding year or portion thereof while the case is pending.

**(c) Tax Returns in Chapter 13 Cases.**



(1) A chapter 13 debtor must, no later than the day before the date on which the meeting of creditors is first scheduled to be held, file with the appropriate tax authorities, any and all tax returns required under applicable nonbankruptcy law for all taxable periods ending during the four year period before the filing of the petition.

(2) A chapter 13 debtor must provide, not later than 7 days before the date first set for the first meeting of creditors, to the trustee a copy of the Federal and state income tax returns required under applicable law (or at the election of the debtor, a transcript of such return) for the most recent tax year ending immediately before the commencement of the case and for which a Federal or state income tax return was filed.

(3) No later than the day before the date on which the meeting of creditors is first scheduled to be held, the debtor must file and serve on the trustee a declaration regarding tax returns in the form attached hereto as [Local Bankruptcy Form 6070-1](#) [3].

(4) The debtor may request from the court an order extending the time period set forth in this subsection on notice to the trustee and applicable taxing authority. If the debtor fails to comply with paragraphs (1), (2) or (3) of this subsection in the time period therein or as extended by the court, the case may be dismissed under the procedures set forth in [Local Rule 2083-1\(f\)](#) [4].

### **(d) Modification of the Automatic Stay for Certain Assessments and Refunds of Taxing**

**Entities.** Unless a party in interest objects and the court orders otherwise, the stay of [§ 362](#) [5] of the Code is modified to provide for the following assessments and refunds in any case filed in this district. The Internal Revenue Service, Utah Tax Commission, and the Utah Department of Workforce Services are authorized to:

(1) assess tax liabilities reflected on voluntary filed tax returns and tax returns prepared under authority of applicable statutory provisions; and

(2) make refunds in the ordinary course of business to debtors who have filed cases under chapter 9, 12 or 13, to trustees appointed in chapter 7 and 11 cases, or, if a trustee has not been appointed in a chapter 11 case, to the debtor in possession.

**Source URL:** <https://www.utb.uscourts.gov/local-rules/2013/6070/1>

### **Links**

[1] <https://www.law.cornell.edu/uscode/text/11/341>

[2] <https://www.utb.uscourts.gov/local-rules/2013/2002/1>

[3] <https://www.utb.uscourts.gov/forms/declaration-regarding-tax-returns-template>

[4] <https://www.utb.uscourts.gov/local-rules/2013/2083/1>

[5] <https://www.law.cornell.edu/uscode/text/11/362>